Disinvestment of Maruti Udyog Limited

3074. DR. AKHILESH DAS: Will the Minister of DISINVESTMENT be pleased to state :

(a) whether response to the first offer-IPO of Maruti Udyog Limited was over-whelming;

(b) if so, the details of the terms of offer, the circumstances and reasons leading to the decision for offer and the extent to which the issue was over-subscribed and how far it was offered to general public investors and to institutional investors; and

(c) how far this has led to disinvestments in respect of other profit making public sector undertakings and enterprises?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE):(a) Yes, Sir.

(b) The 'Offer for Sale' by Government of approximately 27.5% (including the 10 % permitted over subscription) of the equity holding in Maruti Udyog Ltd., was a domestic offering with participation of Indian and global investors as permitted by law, through the book building process. The IPO was undertaken according to the terms of the Revised Joint Venture Agreement entered into by Government with Suzuki Motor Corporation, which *inter alia* incorporates the roadmap of disinvestment by Government of India of its shares in Maruti Udyog Ltd. The issue was over-subscribed by more than 10 times. The 'offer for Sale' was made to both institutional and non-institutional investors as per SEBI guidelines. 60% of the total number of shares sold was allotted to non-institutional investors. Out of the 60%, 45% of the MUL stake was allotted to retail investors who have bid for less than 1,000 shares.

(c) Government has been taking up the disinvestment of Public Sector Undertakings over the past several years in accordance with a well-defined policy. The MUL IPO has demonstrated that IPO in a company with a strong strategic Partner receives a good response.

Shift in Foreign Policy towards 'Rainbow Cooperation'

3075. SHRI PREM CHAND GUPTA: Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether it is a fact that the focus of Indian Foreign Policy would shift to Latin America and South Africa where a trilateral cooperation named the 'Rainbow Cooperation' is to be established; and

(b) if so, the details of this new trilateral cooperation?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH):(a) No Sir. There would be no major shift in India's foreign policy. However, since 1997 there has been a greater focus on forging closer relationship with countries in Latin America. As part of this effort EAM visited Brazil in June, 2003, a first ever visit by Indian Foreign Minister to Brazil. During this visit, apart from its bilateral component, a trilateral meeting of the Foreign Ministers of India, Brazil and South Africa was held on June 6, 2003 at which it was decided to launch the India, brazil and South Africa (IBSA) Dialogue Forum with the aim of further enhancing South-South cooperation. The nomenclature of this grouping is "IBSA Dialogue Forum" and not "Rainbow Cooperation".

(b) One of the main objectives of this Dialogue Forum is to make the views of the South more readily heard in various international forums such as the United Nations, World Trade Organisation, Economic and Social Council of the United Nations, etc. It is expected that the Dialogue would strengthen interests of the developing countries not only in the World Trade Organisation but also in the other forums where developing and developed countries interact with each other. The dialogue will be at the Foreign Minister level and will be supplemented by other ministerial meeting in areas like Science & Technology, Transportation, Civil Aviation, Defence, etc. A Summit Dialogue among the three countries is envisaged later this year. A Trilateral Joint Commission has been established to provide impetus to this trilateral cooperation in various fields. As an immediate project, a Food Assistance Programme has been set up at India's initiatives to combat hunger and famine in other countries. Through the Dialogue Forum the three countries are expected to make quick progress on their Preferential Trade Agreement/Free Trade Agreement negotiations and then move towards an ultimate free-trade area among themselves and among their regional groupings.

Confidence Building Measures by Pak President

3076. SHRI KALRAJ MISHRA:

DR. AKHILESH DAS:

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether Pakistan President, as a further Confidence Building Measures (CBM) towards resumption of dialogue with India, had offered in May this year to share intelligence with India to curb militancy; and